Approved For Release 2005/06/09 : CIA-RDP72-00337R000400020082-3

DD/S 70-3659

2 SEP 1970

MEMORANDUM FOR: Legislative Counsel

SUBJECT : CIARDS Legislative Package

Attached is a draft of a statement for Agency use in support of increasing or eliminating the number ceiling on retirements in CIARDS. This statement has been cleared with OGC and members of your staff. Please note that the penciled numbers on retirements are those effective as of 27 August 1970 and can be changed when actual use of the statement is imminent. You may wish to show this to the Executive Director as a copy has not been sent to his office.

25X1

R. L. Bannerman
Deputy Director
for Support

Att

GROUP 1
Excluded from automatic downgrading and declassification

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DRAFT: 27 August 1970

Under the Central Intelligence Agency Retirement Act of 1964 for Certain Employees there is a limitation on the number of employees who, except for disability, can be retired during the first ten years. Specifically, the ceiling was set at [ ] for the five-year period ending STAT
STAT 30 June 1969 and [ ] for the next five years ending 30 June 1974; thereafter, there is no limitation on numbers.

This limitation was inserted by Congress in recognition of the fact that although only a portion of CIA employees were to be covered by the act, security considerations precluded detailed statutory description of the type of employee to be covered. This ceiling provided a mechanism for assuring that the retirements (authorized under regulations promulgated by the Director of Central Intelligence and approved by the Armed Services Committees of both Houses) were controlled during the initial years. The experience, guidelines and precedents of these initial years would contribute to the sound operation of the system in subsequent years when the ceiling would no longer apply.

The ceiling limitations set in 1964 were based upon the best estimates available at the time for the first five years, and on an assumption of a stable rather than a decreasing work force. We were able to operate comfortably under the first five year limit of [ ] through 30 June 1969. For STAT
the second five years we estimate that the ceiling of [ ] will be exhausted STAT

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sometime in 1972. An important change in circumstances is that the Agency, in the recent past and for the near future, is decreasing its work force to reach reduced ceiling levels. Our retirement act has been an invaluable aid in meeting these reductions.

At the present time there have been [ ] retirements chargeable to 25X1
STAT the second five-year quota of [ ] There will be a known additional [ ] 25X1
mandatory retirements through 30 June 1974, leaving a total of only [ ] 25X1
for voluntary retirements. Based on experience, it can be expected that
requests for voluntary retirements will use up this remaining quota by
25X1 [ ]. Thereafter, the Agency would not be able to honor requests for voluntary retirement until 1 July 1974, when the limitation no longer applies. It is true that we could simply honor all requests for retirement without reserving spaces for known mandatory retirements. On this basis we can probably go until [ ] 25X1 before we are up against the wall. This approach, however, would completely disorganize planning by prospective retirees and the training and reassignment of replacements. Further, it would eventually require extensions for employees subject to mandatory retirement for age.

In summary, it is important if not imperative that the retirement ceiling in section 236 of the act which applies only through 30 June 1974 either be
STAT increased to [ ] which provides a comfortable margin for contingencies, or be repealed outright. This will insure the continued operation of the CIA Retirement Act in fulfilling the important purpose for which it was enacted

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and will provide the needed element of certainty required for the advanced planning activities involved in the retirement process. It will also assure that our retirement act can continue to play a significant role in our effort to reduce Agency strength to meet reduced manpower authorizations. We believe that during its first six years the act has been administered in keeping with the intent of Congress and that continuity of such administration is assured by the wording of the law itself and the experience and precedents already established.

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ROUTING AND RECORD SHEET

SUBJECT: (Optional)

STAT

FROM:
Deputy Director of Personnel
5 E 56 Headquarters

EXTENSION | NO.

DATE 27 AUG 1970

TO: (Officer designation, room number, and building)	DATE RECEIVED	DATE FORWARDED	OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
1. Deputy Director for Support 7 D 18 Headquarters				This is the draft you requested on our appeal for a change in retirement quota. We have penciled in numbers which are effective as of 27 August 1970, obviously these change from week to week. You will note that I have not included a statement such as "we are not aware of any other Federal retirement system for which a retirement quota has been established." Although this is a true statement and you may want to include it, it was my thought that since we explain the unique circumstances that led to the establishment of a quota for this Agency, the argument is not too pertinent.
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15.				

FORM 3-62 610 USE PREVIOUS EDITIONS ☐ SECRET ☐ CONFIDENTIAL ☐ INTERNAL USE ONLY ☐ UNCLASSIFIED

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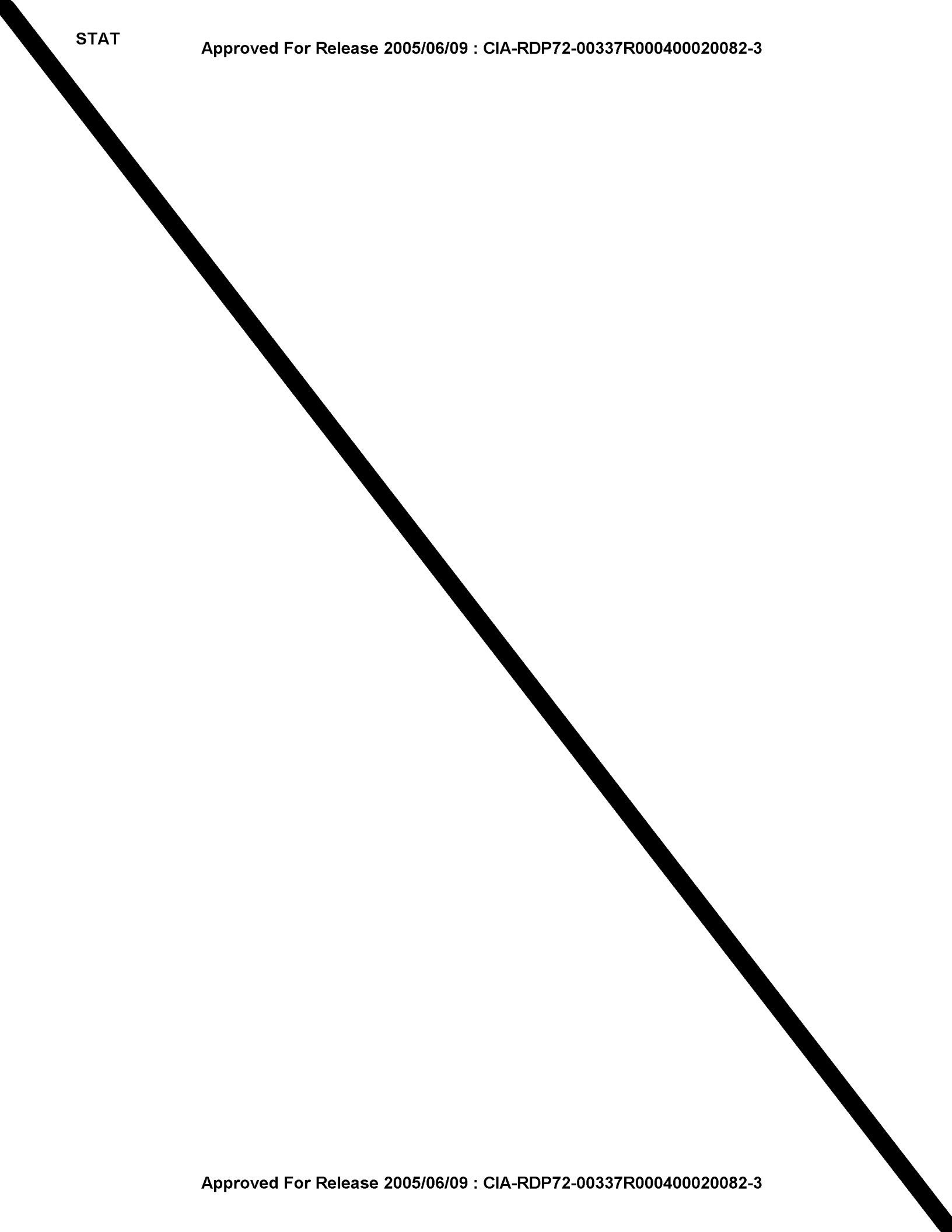

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